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FOR
Life Like Portraits & Perfect Process Blocks
CONTACT
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MADRAS.2 BANGALORE.1

Rs 105-LAKH DEFICIT BUDGET FOR MADRAS

Agricultural income tax on land holdings as on Plantations

LEVIES ON DIESEL OIL AND ENTERTAINMENTS ENHANCED

Minister explains allotments to development projects

MADRAS, Mar. 1.

THE Finance Minister, Mr C. Subramaniam, today presented a deficit Budget of Rs 1,05 lakhs, and announced three taxation measures to cover the deficit.

These are the enhancement of the tax on diesel oil, the enhancement of entertainment tax, and an agricultural income tax on land holdings on the lines of the tax on plantations.

The Finance Minister disclosed that the estimates for 1958-59 anticipate a revenue of Rs 62,40 lakhs and an expenditure of Rs 63,75 lakhs, leaving a gap of Rs 1,35 lakhs. This gap has been reduced by Central assistance of Rs 30 lakhs towards enhancement of emoluments of low-paid Government employees, thus leaving a net deficit of Rs 1,05 lakhs.

The new tax measures are expected to bring in an additional revenue of Rs 170 lakhs. Of this Rs 27 lakhs will go to the benefit of the Local bodies. Since the necessary legislation measures, especially on agricultural income tax, may take time, the net receipt by the Government during the next year will only be Rs 1,20 lakhs. The Budget deficit of Rs 1,05 lakhs will, therefore, be converted into a small surplus of Rs 15 lakhs.

The Minister, who presented the Budget in Tamil, took about one hour to deliver his speech. His words, especially when he explained the new tax proposals, were heard with rapt attention. The new tax proposals, he said, were:

The enhancement of the levy of sales tax on motor spirit other than petrol, i.e., on diesel oil, from 10 nP per gallon to 35 nP per gallon. This may yield about Rs 70 lakhs in a full year.

The enhancement of the rate of entertainment tax from 20 per cent on the first slab to 25 per cent, from 25 per cent on the second slab to 33-1/3 per cent, and from 33-1/3 per cent on the third slab to 40 per cent. Touring cinemas will also be made liable to the show tax.

The tax on all entertainments other than cinemas and horse-racing, will be abolished. These proposals will bring in a net additional revenue of about Rs 30 lakhs, 90 per cent of which will go to the benefit of local bodies. The share of the Madras Corporation may amount to about Rs 6 lakhs.

The levy of agricultural income-tax on all land-holdings with an exemption limit of Rs 3,000 and at rates and slabs now in force on plantation holdings. The non-agricultural income of the assessee will also be taken, into consideration in reckoning his total income and the agricultural portion will be assessed at the higher rates applicable to the top slabs. Facilities for compounding will be offered to the smaller assessees in order to relieve them of the burden of keeping detailed accounts.

The surcharge now levied on larger agricultural holdings under the Madras Act XIX of 1954, will be cancelled. It is difficult to estimate the yield on this proposal, but, for the purpose of the Budget we may reckon it roughly at Rs 70 lakhs. This measure may indeed become inoperative when ceilings on land-holdings are enforced, but now that we have taken the decision to fix a provisional ceiling, it is but social justice that a portion of the advantage derived by people holding land in excess of that ceiling, should be appropriated by the State towards common benefit.

Presenting the Budget, Mr C. Subramaniam, Finance Minister, said: The one relieving feature is the improvement in the revenue position which has wiped out the anticipated heavy deficit for the current year and reduced the gap for the ensuing year. The Award of the Finance Commission is the major factor which has helped in this respect. We have also had the benefit of fair seasonal conditions.

FOOD POSITION

Need to redouble efforts

The one obvious lesson from the present food situation is that we should redouble our efforts to step up production. We have achieved a fair measure of success on the various grow-more-food schemes launched in recent years. The food requirements of this State, for a population of 30 millions, at the average rate of 1 lb. per head per day, amount to 48 lakhs of tons and therefore, with a production of 46 lakhs of tons in 1956-57, our deficit can only be marginal.

These achievements may indeed be reassuring, but the fact remains that we still do not produce enough to stabilise prices and to provide an adequate cover for a lean year. We have set a target of 12.79 lakhs of tons of additional food production for the present Plan period, of which we have done about 2 lakhs tons in 1956-57 and hope to do about 3 lakhs tons during the current year.

The balance of 8 lakhs tons of additional production in our present Plan target, should not be beyond our reach if we can adopt the improved agricultural techniques, practised in other countries.

The Budget provides for the opening of 180 seed farms in 1958-59 at an estimated cost of Rs 72 lakhs and with this, the programme will be nearly completed.

Irrigation

The Vaigai Project will be completed during this year, and the Kattalai and Pullambadi in 1960. Work has also commenced on the Vidur and the Neyyar Projects. An outlay of Rs 2,86 lakhs is progammed for the current year, and Rs 1,69 lakhs in 1958-59. The development of the ayacut under these new Projects has been adequate. Negotiations with the Kerala Government on the diversion of some of the west-flowing rivers are progressing, and let us hope that a mutually beneficial settlement will soon be reached. To maintain Minor Irrigation systems in good order Rs 70 lakhs has been provided including Rs 10 lakhs for the de-silting of tanks. The filter-point scheme for the utilization of sub-soil water, will also be continued at a cost of Rs 9 lakhs.

Animal husbandry

The different schemes for the improvement of our cattle-wealth, are making progress. Four more key-village centres and four supplementary extension centres for utilizing the pedigree bulls reared in key-villages, will be opened during the year. Provision has been made for the opening of the cattle-farm at Ramanathapuram and sheep farms at Chingleput and Chinna Salem. The work on the Madhavaram Cattle Colonization Scheme will be accelerated, and Rs 25 lakhs has been allotted for that purpose. New schemes of poultry development costing Rs 2.16 lakhs have also been incorporated in the Budget.

The total cost of the fisheries programme in the Budget amounts to Rs 21 lakhs.

The phased programme of forest regeneration consisting of schemes for the planting of cashew and casuarina in the coastal districts, wattle, bluegum and match-wood on the Nilgiris, teak and other valuable timbers on river and canal fringes, reclamation of eroded Panchayat forests and improvements to forest communications, will be continued at a cost of Rs 29 lakhs. Soil conservation measures on agricultural lands on the hills as well as the plains, will be taken up at a cost of Rs 17 lakhs.

We have already covered a third of the State with the National Extension Service Organization and it is proposed to take up 51 Extension Service and 16 Community Development Blocks during the next year.

Electricity

Our Electricity programme is making progress. The Madras Plant Extension Scheme will be completed soon, and a new generator of 30,000 KW will be commissioned by next April. The first unit of 35,000 kilowatts of the Periyar Hydro-Electric Project, will also be installed before next September. The rural electrification programme is being implemented with vigour, and as against the target of 1,000 villages for this financial year we have covered 910 villages by the end of December, and will materially exceed the target by the end of the year. The Budget provision for electricity for the current year has now been stepped up from Rs 11½ crores to Rs 13 crores, and the provision for the next year has been fixed at about Rs 12 crores.

MAJOR INDUSTRIES

Good progress

To prepare an integrated plan for the industrial development of the State, the Government have constituted an Advisory Committee of eminent industrialists, which is studying the different raw materials and other resour-

Continued on page 6

New burden on common man

M.L.A.s' REACTION TO BUDGET PROPOSALS

MADRAS, Mar. 1: The Assembly will have general discussion of the Budget for six days from Monday, Mar. 3.

The general feeling among members is that there is nothing in the Budget to enthuse the people; but it contains new proposals which will put up the busfares and the value of cinema tickets.

One member said cinemagoers in the city would be legitimately angry with the Government for making cinema going more costly, this being the only cheap entertainment open to the common people not only in the city and urban areas but also in rural areas.

There is not much objection to the proposal to make the tax on agricultural income general and broad-based, as the exemption limit makes the burden fall on those owning at least over 20 or 25 acres of wet land.

N.-G.Os disappointed

The Non-Gazetted Government servants who had fondly hoped for an announcement of some increase at least in their dearness allowance are greatly disappointed at the Finance Minister's "unconditional no" to them. But they are glad that the full fee concession to their children will be extended up to the sixth form. There is to be no increase in the scales of pay of teachers also.

The Assembly adjourned for half an hour today after passing a motion of condolence proposed by the Speaker, Dr U. Krishna Rau, touching the death of the Union Education Minister, Maulana Abul Kalam Azad.

From Monday, the Assembly will sit daily from 1 p.m. to 6 p.m.

The Legislative Council will meet from 3 p.m. to 6 p.m.

'WELCOME TREND'

Budget presented in Council

MADRAS, Mar. 1.

MR R. VENKATARAMAN, Industries Minister and Leader of the House, presenting the Budget for 1958-59, today told the Legislative Council that there had been a welcome upward trend in receipts, such as tax on motor vehicles, Central sales tax and land revenue.

The improvement in the revenue account, he explained, was mainly due to the award of the Finance Commission.

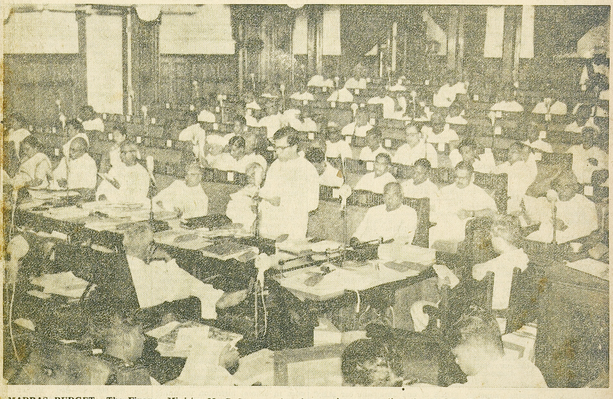
He, however, cautioned the House that they should not expect the favourable feature of upward trend in receipts to persist on the present pace of expenditure on development services.

Mr Venkataraman explained the proposals for increase in taxes under three items, which were announced by the Finance Minister in his Budget speech in the Assembly, and also dealt with the progress achieved in various spheres of welfare activities.

Attack on National Conference rally

Abdullah blames Government Party

SRINAGAR, Mar. 1: Sheikh Mahomed Abdullah, in his address to the Friday congregation at Hazaratbal shrine yesterday, giving his own version of the attack last Friday by volunteers of the Plebiscite Front and the pro-Pakistan Political Conference on a National Conference rally, put the blame on "the Government party people and the Police."



MADRAS BUDGET: The Finance Minister Mr C. Subramaniam is seen here presenting the Madras State Budget for 1958-59 to the Legislative Assembly on Saturday.

Forcible entry into fields

KERALA MINISTER ON COMPLAINTS

TRIVANDRUM, Mar. 1: In the Kerala State Assembly, Mr M. M. Mathai, Cong., asked the Minister for Law and Order whether the Government was aware of cases where workers attempted to enter forcibly and work on the fields of landlords.

The Minister, Mr V. R. Krishna Ayyar said a few cases had been brought to the notice of the Government, but they had information that all such cases had been settled amicably.

The member asked whether the Government was aware that they were Communist workers. The Minister replied that he knew that Christophers were doing such things, but had not heard of Communists doing this. Complaints had been received that the landlords were "troubling the workers in many ways" and the Government was considering steps to solve this complicated problem.

"Many instances"

Mr C. A. Mathew, Cong., asked whether the Minister could substantiate his allegations that Christophers were doing these things. The Minister said there were several instances, but he could not remember all of them. If given notice, he would collect all the details.

Mr P. Govinda Pillai, Com., asked whether it was not a fact that he (the member) himself had made representations to the Minister, complaining that Christophers were indulging in such activities in Kuttanad area. The Minister said he could remember it and added that he had even received a telegram on some such lines last night.

"One delivery behind"

BRUSSELS, Mar. 1: M. Paul Henri Spaak, Secretary General of N.A.T.O. commenting on the recent exchange of letters on disarmament between Marshal Bulganin and the West, said yesterday: "We are always one postal delivery behind."

M. Spaak who was giving a public lecture here on the North Atlantic Treaty Organisation said the West must be of one mind before it acted.

"Each country answered Marshal Bulganin's letter (on disarmament) separately. The Russians took advantage of this situation", M. Spaak said.

"Hardly was Marshal Bulganin in possession of the answers of the 15 N.A.T.O. members than he launched a new message".

GOVT COLLEGE PROMOTIONS

Kerala Communist M.L.A.'s charge

TRIVANDRUM, Mar. 1.

A COMMUNIST member, Mr P. Ravindran, today alleged in the State Assembly that no principles or rules were observed in the matter of appointments, promotions, transfers and reversions in Government colleges in the State since the new University Act came into existence.

Putting a volley of questions to the Education Minister, Mr Joseph Mundassery, Mr Ravindran asked how many transfers, promotions and reversions of college teachers had been effected since the coming into force of the new Kerala University Act. He also asked how many new appointments had been made.

The Minister said details regarding transfers and promotions were being collected, but there were no reversions of teachers in the colleges. Forty-six new appointments were made, and all of them had been made with the concurrence of the Public Service Commission.

In reply to supplementaries, the Minister said some appointments had been made from among those, who had acted in similar posts in the University before, and those, too, were made only after obtaining the concurrence of the Public Service Commission.

No inquiry

Q: Is it not a fact that the Government did not observe any principles or rules in the matter of these appointments? The Minister refuted the charge.

Mr P. T. Chacko, Leader of the Congress Opposition, asked whether the Minister would be prepared for an inquiry by a Committee of the House, now that a member of the ruling party itself had made these allegations. Mr Mundassery replied that he denied the charge and he did not think there was necessity for any inquiry.

Asked by a Congress member about the nomination of Kerala representative to the All-India Elementary Education Board, Mr Mundassery said the Government had nominated Mr P. R. Nambiar as the State's representative who was well-versed in elementary education, worked as a teacher and written articles on it.

Mr C. A. Mathew, Cong., asked whether it was a fact that Mr Nambiar was the brother of the Secretary to the Kerala Education Department, and was a defeated Communist candidate in the last Lok Sabha election. The Minister said he might be anybody, but the only consideration for his nomination was that he was well versed in the subject.

REPEAL OF CHRISTIAN SUCCESSION ACT

Kerala move because of anti-dowry measure

TRIVANDRUM, Mar. 1.

THE Kerala Legislative Assembly today took up consideration of the Kerala Dowry Prohibition Bill, which bans giving or taking of dowry in the State.

Moving for reference of the Bill to a Select Committee, the Minister for Law, Mr V. R. Krishna Ayyar said the abolition of the dowry system was something of an old demand. It had been an "infectious disease" in all communities, and a large number of young girls remained unmarried, owing to this social evil.

He said the Government was also introducing another Bill, the Christian Succession Act Repeal Bill later. As it stood now, sons and daughters had equal share of the family property in the Hindu community, but under the Christian Succession Act, prevailing in the Travancore-Cochin area of the State, the daughter was entitled only to a smaller share of the property than her brother. But once they introduced a measure to prohibit dowry, this distinction also should have to be removed. The Christian Succession Act Repeal Bill was designed to achieve this object.

Congress member's move

Mr T. A. Thomman, Cong., moved that the Bill be circulated for public opinion. He said that in the Christian community the girl was given as dowry an amount equivalent to her share in the father's property. The amount was given only in lieu of her share. However, it would be advisable to ascertain the views of the public, particularly the Christian community, on the matter.

Mr E. P. Poulose, Cong., supporting the motion for circulation, said the system in the Christian community should be allowed to continue for the present. Mr T. O. Bawa, Cong., generally welcomed the Bill and suggested that as Muslims were exempted from certain provisions the Christian community should also be exempted from the purview of the enactment in deference to their wishes.

Mr M. C. Abraham, Cong., also asked the Government to consider how the Bill would affect the customs and practices of the different communities. The opinion of the Christian community should be ascertained, he said, and wanted circulation of the Bill for public opinion.

In a spirited support to the Bill, the Deputy Speaker, Miss Aysha Bai, Com., hailed the Bill as marking a milestone in social reform, and said women were grateful to the Government for bringing forward the Bill. The All-India Women's Conference had long been demanding prohibition of the dowry system, to give women an equal footing with men in society by putting an end to the "practice of girls being sold like cattle in the market."

As regards the Christian community, she said, the Christian Succession Act might be amended to give equal share for daughters. The Bill might be referred to a Select Committee and passed as soon as possible.

Mr Joseph Chazhikkatty P.S.P., thought that more girls would remain spinster as a result of the Bill and pleaded for the exemption of the Christian community from the purview of the Bill. Mr Hassan Gani, Muslim League, said the viewpoints of the Christian community should be considered, and the Bill be sent to a Select Committee.

Mr P. P. Ummer Koya, while agreeing with the principle underlying the legislation, felt that legislation alone would not be enough. They should create the necessary public opinion.

Two Greek Ministers resign

ATHENS, Feb. 28: Two Greek Cabinet Ministers resigned last night after the Prime Minister, Mr Constantine Karamanlis, decided to submit a new electoral law for Parliament's approval. They claimed the law should have been submitted to the Cabinet before being tabled.

The Ministers were Mr Panayotis Papaligouras, Trade and Industry, and Mr George Rallis, Public Works and Communications.

'Victory' for students of Ernakulam

ERNAKULAM, Mar. 1.

THE Kerala Government conceded a hands-down victory to the students, whose dispute with the State Transport workers was settled this morning on the initiative taken by the Kerala Transport Minister, Mr T. V. Thomas.

The Minister has agreed to the unconditional release of all students convicted for picketing before the State Transport bus stand on Feb. 27, thereby preventing the operation of the bus service. He has also agreed to the suspension of six Transport employees who were alleged to have assaulted and injured some students in a clash that took place on Feb. 24.

A nine-man Negotiating Committee, including Mr Peter Correia, Chairman of the Ernakulam Municipal Council, which held six-hour talks with the Transport Minister last night, announced these decisions to Pressmen this morning.

The Minister had also assured them that no action would be taken now against the students, as a public inquiry would go into the incidents in detail, the Committee added.

Mr K. T. Thomas, Convener of the Committee, said the Government would issue final orders implementing the terms of settlement forthwith in order that normal peaceful conditions in the town might be restored.

Other members of the Committee were: Messrs K. P. Abraham, Taikad N. Subramania Ayyar, P. Narayana Menon, K. P. Ramunni Menon, E. P. Verghese, K. M. Abdul Kadar, and P. Gangadharan.

All State Transport bus services, suspended for 24 hours yesterday at the request of the Negotiation Committee, will remain suspended for another 24 hours, to enable the Government to implement the decisions arrived at the joint conference of the Committee and the Labour Minister.

It is learnt that regular services of transport buses will be resumed on Sunday.

FREE LEGAL AID FOR HARIJANS

Centre to share cost with Kerala

TRIVANDRUM, Mar. 1: Mr V. R. Krishna Ayyar, Minister for Law, told the Kerala Assembly that the Central Government, after representations, had agreed to meet half the expenditure involved in offering free legal aid to Harijans in the State.

Replying to questions, he said so far no amount had been spent on this account as the procedure had not been completed.

Mr Krishna Ayyar informed a member that 4,58,119 acres of land in Kerala were benefited now by irrigation facilities. Of these 1,05,650 acres were under major irrigation. No medium irrigation works were completed so far.

"Fools" to confer

JAIPUR, Mar. 1: Well-known "fools" of the country have been invited to attend the third "All Fools' Conference" to be held at Asalpura from Mar. 6.

The conference will, it is stated, take steps to form a permanent "All Fools Body" in India to look after the interests of its members.

For this purpose, a committee has been formed with the local Sarpanch as its Chairman.

In an appeal, the committee has exhorted the "fools of the country" to make the conference a success.

Fair weather

MADRAS, Mar. 1: Fair weather will continue in Madras and neighbourhood till the evening of Mar. 2.

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* MOGHUL PILAW
* CHICKEN COMPOTE
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* LIVER STEW
* VEGETABLE RANCHOO
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CALENDAR—MARCH

		SUN A.M.	SUN P.M.	MOON P.M.	MOON A.M.
Sun	2nd	6 25	6 18	3 46	3 56
Mon	3rd	6 25	6 18	3 58	3 46
Tue	4th	6 24	6 18	4 58	4 47
Wed	5th	6 24	6 18	5 58	5 39
Thur	6th	6 23	6 18	6 59	6 29
Fri	7th	6 22	6 18	8 00	7 20
Sat	8th	6 22	6 19	9 00	8 12

PHASES OF THE MOON
Wed. 5th Full Moon 11-58 P.M.

MADRAS TEMPERATURE (C)
SATURDAY

	(M)	(N)
Maximum	33.6	31.7
Minimum	24.3	23.6
Humidity	78%	73%

TWO BUDGETS

THE Prime Minister, in the unaccustomed role of Finance Minister, in presenting the country's budget for the next year to the Lok Sabha, and dispensing, in doing so, with many of the usual trappings of established custom, described it as "pedestrian," a description which was echoed by commentators later in the lobbies of Parliament. But it is a word which can convey two meanings, one "of walking" and the other "prosaic dull and uninspired". As it certainly cannot be the latter, it must refer to the former, the Prime Minister, taking his cue from his former Finance Minister, deciding that it is better to walk and to arrive, than to try to keep up the fast running pace set last year, with the danger of stumbling and falling. The Prime Minister, in the words of Dickens, is evidently intent on walking steadily and with a purpose, the purpose being towards the Socialistic State goal, set out in the Avadi Congress resolution.

There has been no lightening of the burden placed on the country by Mr T. T. Krishnamachari, despite the claims which have been pressed by many sectors, especially the private one in industry, that taxation is having a crippling effect on endeavour. There has, indeed, been a little tightening of the screw, especially as taxation hits the more wealthy sections of the community. But to those obsessed with the ideal of socialism this is, no doubt, a laudable move. The Gift Tax, and the lowering of the exemption limit of the rate for estate duty, are examples of the extension of the policy of levelling down wealth. The budget, might therefore be "inspired" to the extent that breathing space is being given to people before any new imposts are introduced, for ordinarily a deficit of the magnitude of nearly Rs 33 crores would have excited the ingenuity of any earlier Finance Minister to devise ways further to milch the people, to reduce the deficit, especially as there is also deficit financing to the extent of over Rs 200 crores in the capital budget, incurred as part of the spending programme involving over Rs 1,000 crores to maintain the pace of the second plan, mainly in the public sector, or "core".

The most distressing aspect of the figures is the substantial increase in defence expenditure, mainly for the air force, illustrating the high price which has to be paid for modern means of defence, and in fact of living with the Joneses, or being on nearly equal terms with neighbours. The very fact that the greater part of the money has to go abroad, because there is no internal production yet of the type of machine and weapons required, adds to the difficulties of the country in the expeditious use of available foreign exchange for more propitious development. It, in fact, prompts the question whether it might not be worth while taking a calculated risk by postponing such expansion in favour of plan development, especially the speedier, and greater encouragement of agricultural production, to obviate the need entirely of foreign buying of foodstuffs, and private as well as public industries to increase the output of consumer goods, so short in supply because of the restrictions imposed on imports. It would almost seem so.

New Burdens

A LARGE number of people now living in Madras must be wishing they were residents of Andhra, thereby escaping increases in the burden of taxation, which is their lot, following the presentation of the State budget. There is a similarity between the Union budget and that of the State, in that they both contain similar ingredients for austerity, and ignore the representations there have been for some easing of the burden, especially in the hope of stimulating greater production. The Finance Minister, Mr C. Subramaniam, in presenting the budget, commented "we cannot escape the consequences of our determination", but there is no need to impose new taxes when they cannot be regarded as immediately urgent, and will undoubtedly have the effect of slowing the tempo of production, and making saving more difficult than now. The State anticipates small savings to cover deficits in financial resources, but if, before incomes are increased from higher out-turn, taxes are increased, the likelihood of these small savings improving is very problematical.

It has been pointed out, many times, that Madras holds the unenviable position as taxing motor transport heavier than any other place in the whole world. Not content with that, the regulation the Finance Minister now proposes to add to the load and despite repeated requests that a halt should be called to such rises and recommendations from the Transport Advisory Committee that all States should cut taxes to seventy-five per cent of the Madras level. The twenty-five nP. increase in the sales tax on diesel oil will mean that practically all transport will pay, for diesel vehicles have been displacing petrol ones, as being more economical and giving better service. The State might have had to face a loss from taxes on petrol as a result, but because of the increase in motor cars ever that is doubtful. It is not only transport undertakings which will suffer, and it means a possible increase in fares, and freight rates, but also the many thousands of agricultural producers who depend on oil engines for pumping purposes.

As though one impost is not sufficient, the Finance Minister takes a second punch at agriculture by the imposition of an income tax. He argues that this is probably only provisional, because of the intention later to impose a ceiling on holdings, but that while some landholders enjoy a larger income than would be possible under the revised holding scheme it is only right that they should contribute to the benefit of all. In the immediate past there has been demand that agricultural production should be stepped up, that farmers should be guaranteed a price for their grains. Recently there have been statements that because of falling prices it might be necessary to take steps to guarantee a definite return, as an incentive to increased production. Now the Finance Minister puts in a disincentive car by proposing an income tax.

These are the two main proposals, but there is another, which must cause considerable heart-burning, the increase in entertainment tax on cinemas. Film producers have been crying out against the present level of taxation, but their protestations have been brushed aside, even to the extent of imposing a tax on travelling cinemas, the only form of entertainment enjoyed by thousands of the rural population. It is indeed little consolation to learn that similar taxes on other forms of entertainment have been withdrawn, and also on sports events, except, of course, the very remunerative past-time, horse-racing. It is a clear indication also, that the Betting Tax is not going to be enforced, which would mean the end of racing, and a substantial loss to the Finance Minister.

The Minister told the House that because of an assurance to the Planning Committee it is not possible to leave the deficit uncovered, and so new taxes have to be imposed. It is difficult to appreciate why a small one and a half per cent of the total budget can not have been left uncovered in a year when so much is expected from development, and larger receipts looked for from Central subventions because of changes in tax procedure there, and when the Centre leaves three and a half per cent uncovered and other States have had no scruples about deficit financing.

Views, in Brief

HOW many people realise that this week marks the seventieth anniversary of the first application of a principle which has made a great difference to their lives. Whether they be cyclists, or motorists, whether they ride in buses, or aeroplanes or depend on motor transport for the main things of life, they are indebted to Dr John Boyd Dunlop, the inventor and pioneer of the pneumatic rubber tyre. Contrary also to general belief he was not a doctor of medicine, but a veterinarian, and one of the most successful. Graduating at nineteen, he practised for eight years in his native Scotland, then went to Belfast, where, in twenty years he built up the largest practice in the whole of Ireland. It was the complaint of his son, then aged nine, which turned his attention to devising a method which would soften the shocks of the granite sets of the streets of Belfast transmitted to the seat of his son when riding his tricycle. In the last week of February, 1888 he tried out his air tubes on the wheels of his son's machine. Then followed exhaustive tests, and the invention stood up to all. Thus was evolved a tyre which has meant so much to transport of all kinds, and made a tremendous difference in the lives of so many people, from the planters of rubber trees to the man who, in the end, collects the scrap when tyres and tubes are no longer serviceable. It is well to remember such men.

Record?

It is ever the ambition of men and women to achieve greatly, and in every walk of life, and in all forms of activity, to do something which someone else has never done is hailed with acclamation, or rather it usually is, for there are occasions when the setting of records seem to infer misdirected endeavour. The highest mountain in the world has been conquered, greater speeds are continually being achieved, new output records in industry are hailed, especially in Russia, as the acme of human achievement. Some set records in pole sitting, once so prevalent in the United States, others manage to dance or play bridge, longer than anyone else; or talk, called filibustering in the United States, and other things by those compelled to listen. A new record is now claimed for the Transport Minister in Ceylon, that in twenty-five hours he addressed no fewer than forty-five meetings. He was campaigning in support of the nationalised bus transport services, subjected to attack in many quarters, perhaps justly. It is to be hoped that his herculean effort was appreciated, and bore fruit, he deserved it. A sense of duty as well as of principle urged him on, no doubt when he was dropping with fatigue, for he replied, when urged to cut out some of the meetings, that those responsible for making arrangements could not be disappointed. Such zeal is worthy of greater things.

Hopeless

Long after the agitation had died down Research Institutions in India continued trying to find a colouring matter which could be added to vanaspati to make it recognisable for what it was, and to prevent it being used as an adulterant for pure ghee. One by one they have given up the task as hopeless, until now, apparently, only two out of the original eight which devoted their energies to the search, are left. The Deputy Minister for Scientific Research told the Lok Sabha so this week. It is just as well, for there are other more vital tasks on which they can be engaged, than in searching for something which really does not matter to any great extent, if to any extent at all. Vanaspati coloured, or white, it is immaterial. The allegations made against it have all been disproved by experiment and research, and the last two might just as well accept the inevitable, and get on with something of greater benefit to the people as a whole.

Bengal score 360 in Ranji match

NEW DELHI, Mar. 1: Bengal were all out for 360 in their first innings on the second day of the Ranji Trophy semi-final against the Services here today.

Eisenhower in hospital

WASHINGTON, Feb. 28: President Eisenhower yesterday entered the Walter Reed Army Hospital to have a physical examination and a to have a tooth out.

A medical bulletin said "the extraction of an upper molar tooth was normal and successful."

Madras State Budget proposals

51 MORE EXTENSION SERVICE AND 16 COMMUNITY BLOCKS

(Continued from page 1)

ces available and drafting practicable project reports. Mining operations have commenced at Neiveli and the integrated project estimated to cost Rs 60 crores, for the generation of 2 lakhs kilowatts of power, for the manufacture of chemical fertilisers with a nitrogen content of 70,000 tons per annum, and for the briquetting of 3½ lakhs tons of carbonised lignite, is making progress. The Project has been included in the core of the Plan, and may be expected to be completed by 1960. The caustic soda plant in Tirunelveli and the rubber tyre factory at Ambattur, are making good progress according to schedule. The scheme for the expansion of the T.I. Cycles to a capacity of 3 lakhs units per annum has been finalised.

The proposal to set up a new cement factory in Ramanathapuram is making progress. Licences have also been granted for the establishment of a number of units for the manufacture of electric motors, transformers, switchgear and pumps. The three sugar mills licensed in the Cooperative sector, are expected to go into production by the middle of 1959, and the private sugar factory at Pettaivaittalai in Tiruchirapalli will commence production in a few months.

Investigations on the Salem iron ore are proceeding at Jamshedpur, and the construction of the pig-iron plant licensed in the private sector, is making progress. The French Consultant engaged to examine the bauxite deposits of Salem has submitted his report regarding the quality of the mineral, and let us hope that the aluminium plant proposed in the Second Plan will soon take shape.

The establishment of a plant for the manufacture of rayon and staple fibre, is being pursued, and the sponsors have secured substantial financial assistance from Italy. Negotiations are in progress with foreign investors to get over the exchange difficulties on these schemes, and the Government are doing their best to assist the sponsors in resolving their problems.

Small-industries

Appreciable progress has been made on the small-industries included in the State Plan. The Guindy Industrial Estate estimated to cost about Rs 60 lakhs, has been inaugurated by the Prime Minister and 52 out of the 90 factory units have been let out. The smaller Estates planned for Virudhunagar, Erode, Tirunelveli, Madurai and Marthandam are coming on, and will be opening in the coming year. Rs 25 lakhs have been distributed as State Aid to small-scale industries during the current year, and a similar provision has been made for next year. Serving centres for the manufacture of handtools, surgical instruments, electrical goods, laboratory and scientific equipment, sports goods, model foundry etc. are being organised in different places, and a Technical Information Centre with a library is being opened in Madras. A silk reeling unit with 25 basins, is being set up at Hosur to take the place of the one at Kollegal transferred to the Mysore State on the reorganisation of States. The various village industries and handicrafts financed by the Khadi and Village Industries Commission will be continued and it is proposed to open four sale depots in important centres for the display and sale of handicrafts.

The needs of the handloom industry continue to receive the close attention of the Government. The present slump in the textiles industry has reduced the off-take of handlooms, and there is substantial accumulation of stocks. Representations are being made to the Government of India to continue the subsidy undiminished so that the stocks may be cleared rapidly. The Cooperative Spinning Mill at Tirunelveli intended to ensure the cheap supply of yarn to weavers, is expected to go into production soon, and another unit with 12,000 spindles is proposed to be started at Srivilliputhur. The Budget provides for an outlay of Rs 92 lakhs on schemes for the development of the handloom industry.

HOUSING

Allotments for new programmes

The various housing programmes initiated by the Union Government are all making progress. Under the Low-Income Group Housing about 800 houses are under construction, and a new programme of 500 houses is being sanctioned for which allotments of Rs 15 lakhs to Cooperative Societies, Rs 17 lakhs to the City Improvement Trust, and Rs 6 lakhs to Local Bodies are being made. Rs 60 lakhs has been earmarked for slum clearance, in the City of Madras, where about 20 slums will be taken up for improvement to rehabilitate about 4,000 families.

Under the State Urban Housing Scheme, provision has been made for a loan of Rs 17 lakhs to Cooperative Societies, and Rs 17 lakhs to the City Improvement Trust. The housing programme for policemen is being accelerated at a cost of about Rs 75 lakhs in the coming year.

A scheme for the reconstruction of about 3,000 houses destroyed in the recent disturbances in Ramanathapuram district, has been sanctioned at a cost of Rs 17 lakhs, which will be shared equally with the Government of India. In order to coordinate the implementation of the different housing schemes, a State Housing Board has been recently constituted by the Government.

Improvement of roads

Improvements continue to be made to our road system which is now one of the very best in the country. Out of the ordinary maintenance allotment of Rs 2,00 lakhs per year, about Rs 60 lakhs are being spent on black-topping important stretches at the rate of about 500 miles per year. The total outlay on new works in the Budget amounts to Rs 96 lakhs from State Funds, and Rs 68 lakhs from the Central Road Funds. Provision has been included for major bridges across the Cauvery at Erode, across the Vaigai at Tirupuvanam, across the Cheyyar on the Arcot-Tindivanam road, and across the Kamandalanaganadhi on the Arcot-Wandiwash road. A sum of Rs 33 lakhs has been earmarked for grants to District Boards and Panchayats for new road works, and Rs 12 lakhs as grants and Rs 8 lakhs as loans to Municipalities and Panchayats for dustless surfacing. A special grant of Rs 2 lakhs will be made to the Nilgiris District Board for improvements to roads leading to beauty spots on the Hills.

Medical facilities

On the side of medical facilities, improvements will be carried out to the district headquarters hospitals at Chingleput, Cuddalore, Palamcottah, Vellore, Ootacamund and Tanjore, at a cost of Rs 13 lakhs. The Local Fund dispensaries at Cheyyar, Vriddhachalam, Sriperumbudur, Bhavani, Tiruppattur, Arantangi, Srivaikuntam, Jayankondan and Hosur, will be provincialised. Rs 11 lakhs has been earmarked for additions to the different Taluq headquarters hospitals. Out of the 80 Primary Health Centres planned for the Plan period, 52 have already been opened and nine new ones will be opened in the coming year. In order to attract medical men to these rural centres a compensatory allowance is being sanctioned and a residential housing programme, is also being launched. Improvements to the teaching hospitals in Madras City and Madurai, will be taken up at a cost of Rs 57 lakhs. On the side of public health, there is a provision of Rs 86 lakhs for completing the urban water-supply schemes now in progress and Rs 60 lakhs for rural water-supply. Provision has also been made for opening 105 Maternity and Child Welfare Centres and training 900 thayies.

EDUCATION

Allotment up

On Education we spent Rs 10,60 lakhs during 1956-57, and the revised estimate for the current year has been fixed at Rs 11,47 lakhs. The annual expenditure has increased by nearly Rs 1 crore, even though the State had been reorganised and its territory and population reduced. For the coming year, we are providing Rs 12.04 lakhs. As usual, rather more than one-half of the total expenditure continues to be devoted to primary education, Rs 4.91 lakhs in 1956-57, Rs 6.54 lakhs in 1957-58 and Rs 6.59 lakhs in the coming year.

A significant development in this field is the provision of Rs 20 lakhs for the free supply of midday meals for children of elementary schools as recommended by the Legislative Committee on Education.

Enrolment of pupils continues to increase at the rate of one lakh and the new schools are being opened and existing schools expanded to provide about 1,700 new classes per annum. The burden of this increasing expenditure on new schemes is being shared by the Government of India. Under the present system of sharing, we earned Rs 32 lakhs in 1956-57, and hope to earn Rs 1,19 lakhs in the current year, and Rs 1,35 lakhs in the coming year.

Special attention continues to be devoted to the development of Technical Education. Admission capacity of Engineering Colleges of the State has been raised from 647 at the end of the First Plan period to 1,132, and of polytechnics from 1,142 to 1,752. The Directorate of Technical Education has been set up and the State Board of Technical Education and Training has been constituted. They have started functioning and it is hoped they will tackle the various problems relating to the staffing and management of these institutions and help to secure a steady flow of highly qualified technical personnel, so necessary for industrial progress.

Negotiations with the Government of India regarding the location in Madras of the Higher Technological Institute of South India, have been successful. The site required for this institution has been agreed upon and further steps for its establishment are expected to be taken shortly.

The welfare of Harijans and Backward Classes, continues to receive the special attention of the Government. The Budget provides for an outlay of Rs 2,33 lakhs on welfare schemes for the benefit of these communities, which is about Rs 40 lakhs more than the budget estimates for the current year.

REVISED ESTIMATES

Rs 5 lakhs surplus

In preparing the Budget for the current year, we had estimated a revenue of Rs 57,99 lakhs after taking credit for receipts from additional taxation of Rs 1,50 lakhs, and an expenditure of Rs 61,32 lakhs, leaving a deficit of Rs 3,33 lakhs. The revised estimates as now fixed, show a revenue of Rs 60.41 lakhs and an expenditure of Rs 60,36 lakhs leaving a small surplus of Rs 5 lakhs. There has been an appreciable improvement in the revenue position and the largest single cause is the Award of the Finance Commission which has come into force with effect from the current year.

Revenue resources

In cooperation with other States and the Centre, we have given up the levy of salse tax on cloth, sugar and tobacco products. Additional excise duties in lieu of sales tax, are being levied at source on these commodities and the proceeds will be distributed to States. The revenue of Rs 2,85 lakhs derived by us on these commodities in 1956-57, has been guaranteed to us by the Centre. Any little surplus from the proceeds of the new excise duties over and above the guaranteed revenue, will be divided among the different States on the basis recommended by the Finance Commission and this may yield us some extra revenue in due course.

By this measure, the initiative for which was largely that of this Government, we have been able to extend considerable relife to dealers in these trades without affecting State revenues.

The possibility of extending this scheme to cover other suitable commodities, is being examined.

The yield under the different State taxes has shown an upward trend, more particularly under the tax on motor vehicles and the Central sales tax, and improved our revenue position by about Rs 1.25 lakhs. There has also been a reduction in expenditure by about Rs 96 lakhs, mainly due to the delay in sanctioning some of the new schemes provided for in the Budget Estimates.

Capital resources

The capital expenditure for the year is now fixed at Rs 16,67 lakhs as against Rs 15,49 lakhs provided for in the Budget Estimates. The provision for Electricity schemes has been taken away, from the Capital Budget with effect from July 1, 1957 and is now shown as loan to the Electricity Board. The Capital Outlay on electricity for the year has been raised from Rs 11,62 lakhs to Rs 13.02 lakhs towards which the resources available are only about Rs 8 crores, and the balance of Rs 5 crores is proposed to be met by the sale of securities held in the Electricity Depreciation Reserve Fund.

The Ways and Means gap for the year is expected to be covered by an anticipated receipt of about Rs 5½ crores as our share of Small Savings collections.

Budget Estimates, 1958-59

The Budget Estimates for 1958-59 anticipate a revenue of Rs 62,40 lakhs and an expenditure of Rs 63,75 lakhs, leaving a gap of Rs 1,35 lakhs. But after the estimates were finalised intimation has been received from the Government of India of some liberalisation in the terms of Central assistance on the enhancement of the emoluments of low-paid Government employees, by which we will secure an additional grant of about Rs 30 lakhs in a year. This would reduce the revenue gap from Rs 1,35 lakhs to Rs 1.05 lakhs. Larger receipts are anticipated under Land Revenue by the assessment of inam lands and by the betterment levy and under Tax on Motor Vehicles from the increasing number of transport vehicles on road. On the expenditure side, the annual contribution to the Zamindari Abolition Fund has been increased from Rs 10 lakhs to Rs 50 lakhs to build up a reserve towards the final compensation to Zamindars. The contribution to the Famine Relief Fund is also being increased from Rs 5 lakhs to Rs 50 lakhs as recommended by the Finance Commission.

Adjustments

The children of non-gazetted officers are eligible for full-fee concessions up to III Form and half-fee concession in the High School classes. The Budget provides for the grant of full-fee concession to them in High School classes also.

The scale of pay of agricultural demonstrators will be revised upwards from Rs 100—5—140—10—220 to Rs 135—5—200—10—270.

The service of workers in the Transport and Machinery repair yards of the Highways Department will be provincialised.

The recommendations of Dr Loganathan on the revision of the sales tax structure, are now under the consideration of the Government, and a comprehensive Bill to amend the Sales Tax Act will soon be introduced. As recommended by him, dealers with a turnover between Rs 10,000 and Rs 25,000 will be permitted to compound the tax, so that they may be relieved of the burden of maintaining detailed accounts and a large number of commodities will go over from the multi-point to single-point system. The financial implications of these changes cannot be forecast accurately now, but the Budget proceeds on the basis that there will be no appreciable fall in revenue.

Capital expenditure

The Capital Expenditure for the year is fixed at Rs 9,73 lakhs made up of Rs 2,39 lakhs on buildings, Rs 1,69 lakhs on irrigation, Rs 70 lakhs on Minor Irrigation, Rs 1,43 lakhs on Industrial Development, Rs 96 lakhs on Roads, Rs 35 lakhs on the purchase of buses, and the balance on miscellaneous items. The Capital Expenditure on Electricity Schemes has been fixed at Rs 11.94 lakhs, but the outlay is now met by the Electricity Board and hence the details have gone out of the State Budget.

There is a loan provision of Rs 4,10 lakhs to the Electricity Board which will meet the balance from resources at its disposal and by the sale of about Rs 3 crores worth of securities from the Depreciation Reserve Fund. Some of the significant items of loans are: to the Madras Corporation Rs 42 lakhs, the City Improvement Trust Rs 59 lakhs, mofussil Municipalities for Water-supply Schemes Rs 89 lakhs, State-aid to Industries Rs 25 lakhs, Cooperative Building Societies Rs 35 lakhs, and to agriculturists in Gramdan villages Rs 20 lakhs.

The net disbursements under Loans and Advances other than to the Electricity Board, is expected to be Rs 3,53 lakhs. The Ways and Means deficit of about Rs 6½ crores is expected to be closed with our share of the Small Savings Collection, and by raising a public loan if market conditions permit.

Plan outlay

In framing the Budget for the current year we had estimated the outlay on the Plan at Rs 31,79 lakhs. Appreciable shortfalls in implementation are expected on certain schemes under agricultural developmnt, soil conservation, medical, housing, village industries and handicrafts, for reasons such as the delay in sanctioning the schemes, delay in land acquisition and scarcity of building materials like cement and steel. But these shortfalls will be more than made up by a much larger outlay on Irrigation and Power. The revised estimates provide for a Plan outlay of Rs 32.31 lakhs, an excess of Rs 52 lakhs over the original provision, and let us hope that departmental performances will be adequate to absorb in full the allotments now made.

The details of the Plan for the coming year have been discussed with the Planning Commission last December, and the outlay has been fixed at Rs 30.47 crores. We have been assured of Central assistance in loans and grants according to the established pattern of assistance, up to a ceiling of Rs 18 crores, and so the balance of Rs 12.47 crores should come out of our own resources. The total sum allotted by the Government of India towards assistance to all States in 1958-59 is only about Rs 200 crores and therefore, it may not be possible to get a larger assistance from the Centre. We may like to vote for a larger outlay, but the additional resources will have to be raised by us internally and the Planning Commission will certainly accept the position. But, within the present ceiling, we have made fair enough provision to maintain the tempo of execution on most of the schemes. A detailed statement showing the break-up of the Plan outlay, is given as Appendix IV. The provision on Major Irrigation is less than that for the current year by Rs 1.17 lakhs, but this is due to the fact that our Major Schemes are nearing completion, and do not call for larger allotments. Excepting the Electricity Department which may be able to spend a little more if funds are made available, the requirements of other departments have been met practically in full. The needs of the Electricity Department may be reviewed again as the year advances and further adjustments can be made to the extent practicable as we did in the current year.

MADRAS BUDGET AT A GLANCE

(Figures in lakhs of rupees).

	Accounts, 1956-57. Rs	Budget Estimate, 1957-58. Rs	Revised Estimate, 1957-58. Rs	Budget Estimate, 1958-59. Rs
A. REVENUE AND EXPENDITURE ON REVENUE ACCOUNT				
(1) Revenue	56,23.21	57,98.63	60,41.07	62,70.28
(2) Expenditure	56,86.66	61,32.19	60,36.24	63,75.54
(3) Deficit—	—63.45	—3,33.56	+4.83	—1,05.26
(4) Estimated proceeds of additional Taxation measures ..	..	..	..	1,20.00
(5) Net Deficit or Surplus ..	—63.45	—3,33.56	+4.83	+14.74
B. TRANSACTIONS OUTSIDE THE REVENUE ACCOUNT				
(1) Receipts—				
(a) Open market loans—less repayments	13,10.85	..	—2.10	5,85.19
(b) Loans from the Government of India, and certain autonomous bodies—less repayments	11,28.96	13,62.00	16,84.00	10,75.81
(c) Overdraft from the Reserve Bank	1,70.00	..	..	..
(d) Deposits, etc., transactions including sale of securities in reserves (net)	..	2,29.61	4,87.03	74.24
(e) Contingency Fund ..	..	41.79	42.56	..
Total, Receipts ..	26,09.81	16,33.40	22,11.49	17,35.24
(2) Disbursements—				
(a) Capital expenditure including State Trading Schemes	23,63.75	15,49.03	16,67.42	9,73.17
(b) Loans to local bodies, etc.—net disbursement ..	7.62.87	11,73.17	5,68.49	7,62.42
(c) Repayment of overdraft from the Reserve Bank ..	..	1,70.00	1,70.00	..
(d) Deposits, etc., transactions	21.58	..	..	..
(e) Contingency Fund ..	42.56	..	..	..
Total, Disbursements ..	31,90.76	28,92.20	24,05.91	17,35.59
(3) Receipts minus Disbursements	—5,80.95	—12,58.80	—1,94.42	—.35
BALANCES				
(1) Opening Balance	8.84.49	2,40.09	2,40.09	50.50
(2) Closing Balance	2,40.09	—13,52.27	50.50	64.89

NEHRU BUDGET

Views of Madras Businessmen

By a "Mail" Reporter

MADRAS, Mar. 1.

A SENSE of relief that there is no fresh tax burden coupled with a feeling of keen disappointment at the absence of some anticipated reliefs. This sums up the reaction of the business community to the Central Budget.

For the common man the Budget is just 'colourless' and 'drab', not very much affecting the articles of his daily consumption.

There is some regret that much-needed incentives for capital formation and attracting foreign capital have not been provided. Besides, it is pointed out that the deficit can be met by launching an economy drive.

SATIRES OF SIMIUS

LOST WOOL

(According to Mr Islam Salmani, Convenor of the Pakistan National Hairdressers' Federation, Pakistan will soon have American-trained barbers — "The Mail" 19-2-58).

GO, go to Pakistan
Until thy beard be grown
And find an *amba tam*
To whom is truly known
The way they work
In great New York,
That highly cultured zone.

Thanks to Islam Salmani
And others of his sort
The hirsute Pakistani
Shall bear a smoother port;
Side, back and top
The Yankee crop,
Whatever else, is—short.

How then shall homely Hind
To this advance react?
We who are stubble-chinned,
Who topknots wear intact
While village shears
Clash round our ears—
The good old style, in fact?

Well—comfort may be felt,
For Samson's strength is in
His massive mane and pelt,
His jungle-growing skin;
So need we grieve
If Pakis leave
Their tresses in the bin?

But—can we, as of yore,
Bring soothing words to bear on
Karachi's lion roar?
For when there is a scare on—
A Frontier row
Or loud bow-wow—
How can we tell these fellows now,
"For God's sake keep your hair on"?

SIMIUS